

JEG:CAC

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

M10-1368

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UNITED STATES OF AMERICA

FILED UNDER SEAL

- against -

GEORGE PANICH and
BAJRAM VELOVIC,

COMPLAINT AND AFFIDAVIT IN
SUPPORT OF AN APPLICATION
FOR ARREST WARRANT

(18 U.S.C. § 201(b)(1)(A)

Defendants.

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EASTERN DISTRICT OF NEW YORK, SS:

ROBERTO SUAREZ, being duly sworn, deposes and states that he is a Special Agent with the United States Department of Treasury, Treasury Inspector General for Tax Administration ("TIGTA"), duly appointed according to law and acting as such.

Upon information and belief, on or about October 29, 2009 through November 12, 2009, within the Eastern District of New York, defendants GEORGE PANICH and BAJRAM VELOVIC did knowingly and intentionally, directly and corruptly, give, offer and promise something of value, to wit: United States currency, to a public official acting on behalf of an agency of the United States, to wit: the Internal Revenue Service ("IRS"), with the intent to influence such public official to commit and aid in committing a fraud on the United States, to wit: tax fraud.

(Title 18, United States Code, Section 201(b)(1)(A)).

The source of your deponent's information and the grounds for his belief are as follows:^{1/}

1. The defendant GEORGE PANICH is a taxpayer representative whose business is located at 68-32 Forrest Avenue, Ridgewood, NY, 11385. The defendant BAJRAM VELOVIC is a taxpayer who was represented by the defendant PANICH in October and November of 2009.

2. On October 29, 2009, an IRS Revenue Agent (the "RA") visited the defendant GEORGE PANICH's office for the purpose of conducting an audit on the defendant BAJRAM VELOVIC's 2007, U.S. individual Income Tax Return (Form 1040) (the "2007 Form 1040"). The defendant VELOVIC's 2007, Form 1040 was prepared by the defendant PANICH. While meeting with the defendants, the defendant VELOVIC stepped out of the room. At that time, the defendant PANICH handed the RA an envelop with approximately \$7,000 and told the RA to "take it and buy some coffee." The RA warned the defendant PANICH that he could get into a lot of trouble for the offer, to which the defendant PANICH responded, "I know, I can go to jail."

3. On November 9, 2009, during a consensually monitored and recorded meeting between the defendants and the RA, the RA informed the defendants that VELOVIC's tax liability was

^{1/} Because the purpose of this Complaint is to state only probable cause to arrest, I have not described all the relevant facts and circumstances of which I am aware.

\$108,000. The RA asked the defendants if they would like to apply the money that was offered in the envelope from October 29, 2009, to the tax liability. The defendants PANICH and VELOVIC both indicated that the money was for the RA. The defendant PANICH then wrote down \$10,000 on a piece of paper and handed it to the RA indicating the amount that the defendant BAJRAM VELOVIC would pay for a zero tax liability.

4. On November 10, 2009, during a consensually monitored and audio recorded meeting the defendant BAJRAM VELOVIC gave the RA an envelope containing \$5,000 and confirmed that the money was for the RA. The defendant VELOVIC then asked how much he owed for his tax liability. The RA took the envelope and told the defendant VELOVIC that he no longer owed any tax liability and handed him a "no change letter." The "no change letter" indicated that no additional tax assessment was necessary.

5. On November 12, 2009, during a consensually monitored and audio recorded meeting, the defendant BAJRAM VELOVIC met the RA and handed the RA two additional envelopes containing a total of \$4,000. The total amount of money paid to the RA was \$9,000.

WHEREFORE, your deponent respectfully requests that warrants be issued for the defendants GEORGE PANICH and BAJRAM VELOVIC so that they may be dealt with according to law.


ROBERTO SUAREZ
Special Agent
Treasury Inspector General for
Tax Administration Enforcement

Sworn to before me this
17th day of November, 2010

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